

MEMO

TO: Gina Sweetman
CC: Sherilyn Hinton, Sarah Stevenson
FROM: Sean Mallon and Neil Trotter
DATE: 22/8/16

SUBJECT: Appendix to S42A Report_Roading Contributions

1. INTRODUCTION

Purpose

- 1.1 This memo has been prepared as a background document to the Proposed District Plan (PDP) for Council to support the consideration of submission issues raised in terms of Chapter 12 (Financial Contributions) provisions.
- 1.2 The purpose of the note is to respond to the submission from the New Zealand Transport Agency (NZTA) which seeks specific provisions in respect of upgrading of the State Highway.

Discussion

Existing funding arrangements and agreements with NZTA

- 1.3 There are no existing funding arrangements or agreements between Kapiti Coast District Council and NZTA. The National Land Transport Programme sets out the sources of funds for investment in land transport activities (see attachment).

Development Contributions Policy and upgrading of the State Highway

- 1.4 There is no link to the State Highway network within the current Development Contributions policy.

Previous Council contributions to State Highway Funding

- 1.5 The State Highway network is funded by the Crown. To my knowledge, there has been no past investment by Council. The State Highway network in the Kapiti district is reasonably simple with very little integration/overlap with our local network. There are several key intersections providing access but primarily it provides a National link into Wellington. At a high level it may be possible to allocate a % contribution across the District, based on increased vehicle movements commuting into Wellington, but as everyone already contributes to the funding of the State Highway network through taxation, it is unclear how equitable that would be. Taxpayers all pay for upgrades of the State Highway network across the country but some people may never use those roads.

Previous resource consents

- 1.6 The Council has previously granted resource consents where there have been works required to the State Highway network to accommodate new development. These have been addressed through resource consent conditions.

Funding sources for land transport investments The sources of funds for investment in land transport activities under the National Land Transport Programme (NLTP) are:

- the National Land Transport Fund (NLTF)
- Approved Organisations' local share, and
- supplementary funding.

The Transport Agency also manages Crown appropriated funds on behalf of the Ministry of Transport.

Supplementary (third party) funds Supplementary funds refer to contributions that are additional to NLTF and local share funding.

Main examples of supplementary funds are:

- development contributions towards the costs of improving network infrastructure (to the benefit of the development)
- betterment from landowners receiving value from road improvements
- Crown appropriations outside of the NLTF
- additional contributions from local authorities or other parties that reduce the proportion of the Transport Agency's contribution to the cost of an activity below the normal FAR
- contributions from community groups or other government agencies to community programmes
- funds generated from road tolls
- borrowing and payments from concession agreements
- the value of land and buildings of redundant public transport facilities owned by local authorities, and
- funds from the sale of future development rights of a new or redeveloped public transport facility owned and operated by a local authority .

Information sourced from: <https://www.pikb.co.nz/home/nzta-investment-policy/funding-assistance-and-sources/> NZTA Investment Policy. 8/08/216